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**MEMORANDUM**

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TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

AZ CORP COMMISSION  
DOCUMENT CONTROL

THRU: Wilfred Shand, Jr.  
Manager, Telecommunications Section  
Utilities Division

Matthew Rowell  
Chief, Telecommunications & Energy Section  
Utilities Division

Arizona Corporation Commission  
**DOCKETED**

OCT 29 2004

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DATE: October 29, 2004

RE: IN THE MATTER OF THE APPLICATION OF TELIGENT SERVICES, INC.  
NOTIFICATION OF A PROPOSED TRANSACTION WHEREBY TELIGENT  
SERVICES, INC. WILL TRANSFER ITS COMMERCIAL LONG DISTANCE  
CUSTOMER BASE AND ASSOCIATED CUSTOMER ACCOUNT  
INFORMATION TO STARTEC GLOBAL LICENSING COMPANY (DOCKET  
NOS. T-03761A-04-0710 AND T-03794A-04-0710)

Attached is the Staff Report of the application of Teligent Services, Inc. and Startec Global Licensing Company for approval of a transfer of customers and waiver of A.A.C. R14-2-1904 and A.A.C. R14-2-1905.

Originator: Adam Lebrecht

Attachment: Original and Sixteen Copies

Service List for: Teligent Services, Inc. and Startec Global Licensing Company  
Docket Nos. T-03761A-04-0710 AND T-03794A-04-0710

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STAFF REPORT  
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ARIZONA CORPORATION COMMISSION

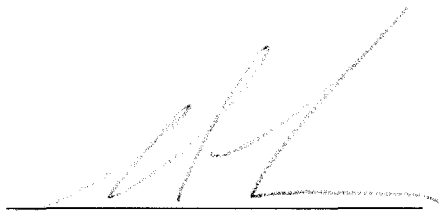
TELIGENT SERVICES, INC. AND STARTEC GLOBAL LICENSING COMPANY  
DOCKET NOS. T-03761A-04-0710 AND T-03794A-04-0710

IN THE MATTER OF THE APPLICATION OF TELIGENT SERVICES, INC.  
NOTIFICATION OF A PROPOSED TRANSACTION WHEREBY TELIGENT SERVICES,  
INC. WILL TRANSFER ITS COMMERCIAL LONG DISTANCE CUSTOMER BASE AND  
ASSOCIATED CUSTOMER ACCOUNT INFORMATION TO STARTEC GLOBAL  
LICENSING COMPANY

OCTOBER 2004

## STAFF ACKNOWLEDGEMENT

The Staff Report for Teligent Services, Inc. and Startec Global Licensing Company, Docket Nos. T-03761A-04-0710 and T-03794A-04-0710, was the responsibility of the staff member listed below. Adam Lebrecht was responsible for the review and analysis of the Company's application to cancel its Certificate of Convenience and Necessity.

A handwritten signature in dark ink, appearing to read 'AL', is positioned above a horizontal line.

ADAM LEBRECHT  
Executive Consultant I

## **Introduction**

On September 30, 2004, Teligent Services, Inc. ("Teligent") and Startec Global Licensing Company ("Startec") filed with the Arizona Corporation Commission ("Commission"), a notification of a customer transfer between the two companies. In this transfer, commercial long distance customers of Teligent will be transferred to Startec.

## **Background**

On January 12, 2000, the Commission, in Decision No. 62233, originally granted a CC&N to Teligent to provide resold long distance service in Arizona.

On February 16, 2001, the Commission, in Decision No. 63370, originally granted a CC&N to Startec to provide resold long distance service in Arizona.

Teligent and Startec request Commission approval to transfer commercial long distance customers and associated account information from Teligent to Startec.

## **Staff Analysis**

The Commission does not have rules concerning transfers of customer base. However, the Federal Communications Commission ("FCC") does have rules which govern transfers of customer base. 47 C.F.R. §64.1120 indicates that companies transferring customers are required to notify the affected customers. The FCC rules specify the information that must be included in the customer notification. Staff has reviewed the customer notice provided to the customers of Teligent. The notice does comply with all FCC rules regarding customer notification under 47 C.F.R. §64.1120. Customers have been informed of their options concerning the carrier they will be transferred to as well as selecting a new carrier as required by 47 C.F.R. §64.1120. Because Teligent's customer notice complies with the FCC's rules regarding customer transfers, Staff believes a waiver of the Commission's Slamming and Cramming rules (which apply to unauthorized carrier changes) should be approved.

## **Recommendations**

Staff recommends the approval of the transfer of customers from Teleigent to Startec. Staff also recommends a waiver of Slamming and Cramming Rules A.A.C. R14-2-1904 and A.A.C. R14-2-1905.



**Teligent, Inc.**  
460 Herndon Parkway, Suite 100  
Herndon, Virginia 20170  
voice: 703.326.4400  
fax: 703.326.4500  
<http://www.teligent.com>

September 9, 2004

Dear Valued Customer,

Teligent Services, Inc. recently entered into an agreement with Startec Global Licensing Company to transfer its long distance operations to Startec. On or about November 25, 2004, Startec will provide the long distance services presently provided to you by Teligent.

There will be no service interruption associated with this transaction. You will continue to receive the same services, under the same terms and conditions, and at the same rates. You have the right to choose a different long distance carrier subject, however, to the terms and conditions of your existing agreement with Teligent. If you wish to change providers, please inform us by calling customer service at 1-888-411-1175 during business hours or by sending an email addressed to [customer.services@teligent.com](mailto:customer.services@teligent.com).

The actual transfer date will depend on when we receive the necessary federal and state approvals. Please note that all current Teligent customers will be transferred, including those who had arranged for a preferred carrier freeze. To arrange a new preferred carrier freeze, please contact your local service provider. The transfer should not result in any carrier-change charges by your local telephone company. If, however, such charges appear on your local phone bill as a result of the Teligent-Startec transfer, please request a credit or refund by calling customer service during business hours at 1-888-411-1175.

Teligent and Startec are committed to a seamless transfer. You will continue to contact customer service by calling 1-888-411-1175. In addition, Startec will work to resolve any complaints you may have filed or raised against Teligent prior to or during the transfer that have not been resolved by the time your account is transferred. Notice of any future changes in rates, terms, and conditions of service will be provided to you as required under your existing long distance agreement with Teligent or as required by law; however, no changes are anticipated.

In the coming months, you will be able to take advantage of a wide variety of additional services developed by Startec especially for business users, such as integrated local and long distance service and DSL Internet access. If you have additional questions, please contact Teligent customer service at 1-888-411-1175 or [customer.services@teligent.com](mailto:customer.services@teligent.com).

Sincerely,

Patrick F. Doyle  
President and  
Chief Operating Officer

A. Merchant  
Senior Vice President  
Startec